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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* YESIM ERKE, YI-HUI CHRISTINA MA, and MARK C. BOOTH

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Appeal 2008-5475  
Application 09/879,677  
Technology Center 3600

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Decided: January 30, 2009

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*Before* HUBERT C. LORIN, JOSEPH A. FISCHETTI, and BIBHU R.  
MOHANTY, *Administrative Patent Judges*.

FISCHETTI, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134 of the Examiner's  
Final Rejection of claims 3, 4, 6, 7, 19, 21, 22, and 24-27.

We have jurisdiction under 35 U.S.C. § 6(b) (2002).

## SUMMARY OF DECISION

We AFFIRM.

### THE INVENTION

Appellants claim a method for determining inventory levels of replacement parts in a network of neighboring part facilities. (Specification 1:2-4.)

Claim 3, reproduced below, is representative of the subject matter on appeal.

3. A method of determining inventory levels of parts for a plurality of stocking locations within a two hour neighborhood of a primary location, wherein said parts are normally stocked at more than one of said stocking locations, said method comprising:

providing data for plurality of customer locations, unit price of said parts, request rates for each of said parts for each of said customer locations, handling costs for each of said stocking locations, and travel time and transportation cost between said stocking locations, wherein said request rates include a probability distribution for one or more of said request rates;

specifying a parts procurement time performance measure for transfer of said parts from said plurality of stocking locations to said plurality of customer locations, wherein said parts procurement time performance measure comprises the percentage of parts in said request rates which can be transferred from any said stocking location to each respective said customer location within a pre-specified time, and wherein equipment requiring on[e] or more of said parts is installed at one or more of said plurality of customer locations;

entering said data and said performance measure into an optimization computer program; computing said inventory levels of said parts for said plurality of stocking locations using said optimization computer program; and ordering sufficient numbers of said parts to maintain said inventory levels at said plurality of stocking locations, wherein said inventory levels are such that said performance measure is met.

### THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Ettl	US 5,946,662	Aug. 31, 1999
Kalyan	US 6,826,538 B1	Nov. 30, 2004

The following rejections are before us for review.

1. The Examiner rejected claims 3, 4, and 19 under 35 U.S.C. § 103(a) as being unpatentable over Ettl.
2. The Examiner rejected claims 6, 7, 21-22, and 24-27 under 35 U.S.C. § 103(a) as being unpatentable over Ettl in view of Kaylan.

### ISSUE

Have Appellants shown that the Examiner erred in rejecting claims 3, 4, and 19 on appeal as being unpatentable under 35 U.S.C. § 103(a) over Ettl and claims 6, 7, 21-22, and 24-27 as being unpatentable over Ettl in view of Kaylan on the grounds that a person with ordinary skill in the art would know to arrange for stocking locations/warehouses and distribution centers to be in close proximity, in order to minimize transportation time, provide timely services to customers, and increase productivity and revenue?

## FINDINGS OF FACT

We find the following facts by a preponderance of the evidence:

1. The Specification describes the order by which the network of parts facilities are used to obtain a part which is needed in that:

[f]acilities 2-4 are shown as located within a two hour neighborhood of facility 1 and facilities 5-6 lie outside the two hour neighborhood.... Often this ad hoc procedure involves contacting other locations in sequence starting with the closest and proceeding outward as shown by the path of arrows in FIG. 2. Note that if locations 1-4 do not have a part in stock but 5 or 6 do, then the demand can not be satisfied within two hours.

(Specification 9:2-12.)

2. The Examiner found that:

Ettl discloses distribution of parts between Atlanta and Cleveland, (see column 24, lines 50-57). The travel time between Atlanta and Cleveland by plane, is approximately two hours. Furthermore, it would have been obvious to a person of ordinary skill in the art to arrange for stocking locations/warehouses and distribution centers to be in close proximity, in order to minimize transportation time, provide timely services to customers, and increase productivity and revenue.

(Answer 7-8.)

## PRINCIPLES OF LAW

Field of use recitations are typically found in the preamble of claims, and the weight given them largely depends on how the recitation is subsequently used in the body of the claim. *Pitney Bowes, Inc. v. Hewlett-*

*Packard Co.*, 182 F.3d 1298, 1305, 1306 (Fed. Cir. 1999). Whether a preamble statement that the “patent claims a method of or apparatus for...[x] is not merely a statement describing the invention’s intended field of use ... [depends upon if] that statement is intimately meshed with the ensuing language in the claim.” *Id.* at 1306. In other words, “if the preamble merely state[s] a purpose or intended use and the remainder of the claim completely defines the invention independent of the preamble,” it does not constitute a limitation. *Lipscomb’s Walker on Patents, 3<sup>rd</sup> Edition, Vol. 3, § 11.11* at p. 361 (citing *Marston v. J.C. Penney Co.*, 353 F.2d 976, 986 (4<sup>th</sup> Cir. 1965)); *see also, Rowe v. Dror*, 112 F.3d 473, 478 (Fed. Cir. 1997); *Corning Glass Works v. Sumitomo Elec. U.S.A., Inc.*, 868 F.2d 1251, 1257 (Fed. Cir. 1989) (An element initially recited in the preamble, is thereafter fully incorporated into the body of the claim so as to breathe life and breath into it by setting forth the complete combination).

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’” *KSR Int’l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 127 S. Ct. at 1734 (“While the sequence of these

questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”)

## ANALYSIS

The rejections are affirmed as to claims 3, 4, 6, 7, 19, 21, 22, and 24-27.

Appellants’ argument against each of the 35 U.S.C. § 103(a) rejections is based on perceived deficiencies of Ettl. Inasmuch as Appellants raise the same issue with respect to each of the 35 U.S.C. § 103(a) rejections, we discuss them together.

Correspondingly, we select representative claim 3 to decide the appeal of these claims, remaining claims 4, 6, 7, 19, 21, 22, and 24-27 standing or falling with claim 3. *See*, 37 C.F.R. § 41.37(c)(1)(vii)(2007).

Appellants’ sole argument on appeal is that the claims require

that the plurality of stocking locations must be within a two hour neighborhood of a primary location. Ettl does not describe or suggest such a neighborhood or a plurality of stocking locations located there within. All of the parts in Ettl’s description follows a fixed path as shown in his FIG. 1 supply chain network. There is no opportunity in Ettl’s disclosure for an alternate supply path. Ettl, therefore, does not describe or suggest the neighborhood fill method of Appellants’ independent claim 3.

(Appeal Br. 11.)

The Examiner however found that travel time between distribution locations disclosed in Ettl is two hours (FF 2). Notwithstanding this finding, the Examiner further found that it would have been obvious to a person of

ordinary skill in the art to arrange for stocking locations/warehouses and distribution centers to be in close proximity, in order to minimize transportation time. (FF 2.)

We agree with the Examiner for the following reasons.

1. The language which is in dispute is found in the preamble of claim 3. The language recites “determining inventory levels of parts *for a plurality of stocking locations within a two hour neighborhood of a primary location.*” (Emphasis added.) Simply put, this preamble language is not intimately meshed with the body of the claim enough to constitute a claim limitation. In other words, the body of the claim completely defines the invention without need of this preamble limitation. *See, Pitney Bowes, Inc.* at 1306.

2. Even if the preamble recitation of *a plurality of stocking locations within a two hour neighborhood of a primary location* could be read as a required claim limitation, the Specification describes this characteristic only as the maximum demand tolerance for the system (FF 1). The Specification goes on to state that in the event that a part is needed, then the customer proceeds to contact other locations in sequence starting with the closest and proceeding outward until reaching locations outside a two hour travel time. (FF 1) In other words, the customer is only willing to wait a maximum of two hours for a part to arrive and thus the two hour limit is set by the user as a design parameter of the system based on the user’s limitations. We thus conclude that the selection of an acceptable waiting time for a part is no more than a matter of obvious design choice for a person with ordinary skill in the art based on system limitations and requirements. *See, In re Hopkins*, 342 F.2d 1010, 1015 (CCPA 1965).



Additionally, the Examiner found that “it would have been obvious to a person of ordinary skill in the art to arrange for stocking locations/warehouses and distribution centers to be in close proximity, in order to minimize transportation time, provide timely services to customers, and increase productivity and revenue.” (FF 2.) The Examiner is correct in espousing common sense in dealing with a familiar item, such as wait time, in an obviousness determination. *See KSR* at 1742. This, taken together with the Examiner’s articulated reasoning having some rational underpinning to support the legal conclusion of obviousness (FF 2), supports that a prima facie case of obviousness has been established.

3. Finally, Appellants do not challenge the Examiner’s finding that Ettl discloses travel time between distribution points Atlanta and Cleveland is within two hours (FF 1) as required by the claims. Rather, Appellants argue that “[a]ll of the parts in Ettl’s description follows [(sic)] a fixed path as shown in his FIG. 1 supply chain network. There is no opportunity in Ettl’s disclosure for an alternate supply path.” (Appeal Br.11.)

We are not persuaded by Appellants’ argument here because the argument “fail[s] from the outset because . . . [it is] not based on limitations appearing in the claims . . .,” and is not commensurate with the broader scope of claim 1 which merely recites a plurality of stocking locations without limiting them as alternate supply paths outside of a fixed path as argued by Appellants. *In re Self*, 671 F.2d 1344, 1348 (CCPA 1982).

### CONCLUSIONS OF LAW

1. We conclude the Appellants have not shown that the Examiner erred in rejecting claims 3-4 and 19 under 35 U.S.C. § 103(a) as being unpatentable over Ettl.

2. We conclude the Appellants have not shown that the Examiner erred in rejecting claims 6, 7, 21, 22, and 24-27 under 35 U.S.C. § 103(a) as being unpatentable over Ettl in view of Kaylan.

### DECISION

The decision of the Examiner to reject claims 3, 4, 6, 7, 19, 21, 22, 24-27 is **AFFIRMED**.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

**AFFIRMED**

hh

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